



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

July 9, 2009

Michael Flanagan, President
Video Symphony EnterTraining, Inc.
266 E. Magnolia Blvd.
Burbank, CA 91502

Dear Mr. Flanagan:

RE: FINAL MONITORING REPORT for Video Symphony EnterTraining, Inc. - ET08-0120

Date of Visit	07/09/09
Time of Visit	10:30 a.m. – 12:00 p.m.
Location of Visit	Burbank
Persons in Attendance	Paula Thomas, VP Controller, Video Symphony Naomi Weingart, ETP Contract Analyst
Date of Last Visit	03/24/09
Action Required	No

CONTRACT INFORMATION

Term of Agreement	07/03/07 – 07/02/09	Agreement Amount	\$399,168
Type of Trainee	Retrainee	Number to Retain	378
Training Start Date	July 7, 2007	Range of Hours	24-56
Date Training Must Be Completed	04/03/09 – 90 days 01/03/09 – 500 hours	Weighted Avg Hrs	38

TRAINING STATUS

Project Statistics Provided by the Contractor

Trainees Started Training	141	Completed Training	132
Trainees Enrolled	134	Completed Retention	132
Dropped Following Enrollment	1	In Retention Period	0
Completed Min Reimbursable Hrs	132		

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www.etp.ca.gov
ETP (04/15/05)

Training Status (continued):

Training began July 7, 2007 and ended March 24, 2009. During the contract term, four Modifications were approved to add or change curriculum. The ETP online Class/Lab Tracking system shows that you provided 132 trainees with 5,372 Advanced Technology training hours x \$27.78/hour = \$149,234 in potential earnings, or 37% of the total contract funding amount. To date, you have been reimbursed in the amount of \$98,844, leaving a balance of approximately \$50,390 if all trainees successfully complete retention and earn the wage specified on Chart 1, Column 14 of your contract.

Ms. Thomas reported that training helped employers gain the skills their companies needed to be competitive in a project-oriented industry; and assisted workers to keep up with technology in order to remain employed for longer periods of time, and to have more marketable skills when they transition from employer to employer or project to project within the industry.

Nonetheless, the overall completion percentage was lower than anticipated for several reasons. Ms. Thomas felt that the demand for trained workers still exists, but that companies and the industry, in general, have more skilled workers available than they did just a few short years ago, thereby decreasing current enrollment to some extent. She sensed that overall demand for training decreased because employers seem to be making fewer changes to newer equipment. A previous writers' strike also interrupted the training schedule. In addition, Video Symphony utilizes other government programs to fund longer training programs with less strict retention requirements. She stated that enrollment was also down because ETP funding only covers about 50% of the cost of training, so that the school must charge employers for the remainder.

Ms. Thomas indicated that uploading data from Access to the ETP online system was not always easy; she also said that it was difficult to "call back" uploads, and suggested ETP provide a report to contractors to ensure successful upload transactions. She also felt that some of the online class/lab screens were not totally clear (e.g. the separation of standard hours and CBT hours). Otherwise, there were no particular problems with project administration, and monitoring was adequate.

ATTENDANCE ROSTERS/INVOICES

The Monitor reviewed all class/lab rosters for 12 trainees on Invoice 10 for P2 (completion of training), and found that ETP requirements were met and properly documented on the sampling: the Training Plan was followed; the curriculum was provided as specified in the Agreement; and online data entry was accurate.

Of the 38 rosters reviewed, 20 were at or below the 1:10 trainer to trainee ratio; 16 stayed within the 1:12 class size that can be approved by the ETP field office; and 7 rosters (18% of the sample) exceeded 1:12 with a range of 1:13 to 1:14. Since the number of roster over 1:12 did not exceed 50% of the rosters reviewed, there is no action required at this time. However, Ms. Thomas is aware that in the event of an audit, Video Symphony will be required to document its overall trainer to trainee ratio for the entire program, and if the ratio exceeds the standard (1:10) by more than 20% (1:13 or higher) for 50% or more of the total class sessions held during the term of the Agreement, ETP funding may ultimately be reduced.

These findings are based only on the training records reviewed during this visit and represent only a sample of the training records completed to date. It is your responsibility to ensure that 100% of all training records are in compliance with Panel requirements prior to the closeout of this Agreement (Reference: Title 22 California Code of Regulations, Section 4442).

MULTIPLE-EMPLOYER CONTRACTS (Retrainees)

Participating Employer Certification Statements

The Monitor reviewed six Participating Employer Certification Statements (ETP 100E): Go Go Luckey Productions; Ripe Digital Entertainment; Disc Marketing; Sound Design Corporation; Wiser Post; and King world Productions, and found that they contained the information required by ETP, accurately matched online entries, and were eligible to participate in training.

AUDIT

Video Symphony will be notified in writing if this Agreement is selected for a field audit (conducted at your worksite) or a desk audit (conducted by telephone). Audit Notification and Confirmation letters will be sent in advance to allow ample preparation time, and will include a list of documentation that the auditor may examine. Original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters and sign-in sheets;
- Payroll records of individual trainees to verify wages and hours worked;
- Personnel records regarding occupations and dates of employment;
- Documentation of employer paid health benefits (if applicable); and
- Cash receipts to verify receipt and accounting of ETP funds.

RECORD RETENTION

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

Please contact your Monitoring Analyst within ten working days at (818) 755-3633 or nweingart@etp.ca.gov if you have any questions or comments. Thank you for your participation in the ETP training program. We look forward to working with you again in the near future.

Sincerely,

Signature on File

Wally Aguilar, Program Manager
North Hollywood Regional Office

Signature on File

Naomi Weingart, Contract Analyst
North Hollywood Regional Office

Cc: Paula Thomas, VP Controller, Video Symphony (email)
David A. Guzman, Chief, Audits & Program Operations Division (email)
ETP Master File
ETP Project File

Date report mailed to Contractor 07/13/09